



LABORERS' LOCAL UNION No. 860

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Local 860's Strategy to Increase Market Share

In response to the International Union's call for local unions to increase market share, Local 860 has developed a strategy comprised of several components: prevailing wage enforcement, political action, legislation development, community activism, effective utilization of support services and traditional organizing and collective bargaining enforcement. Given its proven track record, Local 860 believes its program can serve as a model for other local unions.

Prevailing Wage Enforcement

Local 860 has targeted prevailing wage violators for two major reasons: (1) to create a level playing field for its union contractors; and (2) to increase market share. Under Ohio's prevailing wage law, Local 860 is an "interested party" entitled to pursue prevailing wage violators who successfully outbid its union contractors.

Local 860 has filed several administrative complaints and lawsuits against non-union, prevailing wage violators. As a result of these enforcement efforts, Local 860 has been successful in convincing non-union contractors to sign agreements. Other contractors have paid back wages and attorney fees, thereby disgorging those contractors of

some, if not all, profits they had earned on those projects.

Whenever appropriate Local 860 pursues non-union contractors who have outbid its contractors. For each case, Local 860's primary goal is to increase market share, but it is ever determined to send a clear message: non-union contractors cannot operate in Local 860's jurisdiction while undermining its contractors and violating the law.

Local 860 is now encouraging its union contractors to join the fight. At least two contractors have filed administrative complaints against non-union contractors.



Political Action and Legislation Development

Local 860 is actively involved in politics. It financially supports candidates who share its concerns and goals. Local 860 continues to meet with mayors, city managers, and county leaders with proposed project labor and fair contracting legislation. Copies of the legislation are available.

Local 860 also encourages its members to become involved in politics to secure job opportunities for its members and act in the interests of our members. Recently, Anthony Liberatore, Jr. was reappointed to the Northeast Ohio Regional

Sewer Board by Cleveland Mayor, Frank Jackson This, of course, is an ideal position, affording labor a voice on a Board which sponsors a significant amount of construction work performed by Local 860's members and other trades. Member Kenny Yuko is an Ohio House Representative who frequently sponsors pro-labor legislation and works hard to preserve Ohio's prevailing wage law. Local 860 assisted Member Patricia Houston in her successful bid for a seat on Maple Heights City Council.

Community Activism

As most know, the 2004 Presidential Election was lost (or won) in Ohio. Many believe significant turnouts in Ohio's major metropolitan areas (mostly Democratic) were successfully countered by voters in rural, conservative areas, who reported in record numbers to vote down "morally repugnant" legislation.

The lesson learned is that a majority of Ohioans respond to issues which address or attack moral or ethical concerns. As a result, Local 860 has introduced a morally based prevailing wage preservation strategy. While prevailing wage may not always

increase market share, Local 860 believes it always serves to maintain market share. Without it, Local 860's contractors become an insignificant competitor. In fact, we have already seen this with school construction for which the payment of prevailing wages is no longer mandatory.

With ABC and other conservative groups gaining ground in those rural, conservative areas, Local 860 has attempted to frame the prevailing wage issue differently. Local 860 believes the prevailing wage issue must become a moral issue.

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founded upon the concepts of justice, equality and fairness in wage determination. These concepts are as equally appealing to laborers as they are to members of the moral right wing.

An equitable wage maintains a stable family life. An attack on prevailing wage is therefore an attack on the integrity of the family. In fact, it has been said that families will be disrupted, and some will even experience poverty, divorce, crime or alcoholism if their livelihoods are undercut by a repeal of prevailing wage. If the moral right wing comes to understand that a repeal of prevailing wage will significantly impact issues and concerns important to it, then it will stand behind labor instead of fighting it.

Traditional Organizing and Collective Bargaining Enforcement

Local 860 recognizes the importance of traditional organizing methods. It works side by side with DEROC to minimize the impact of non-union contractors and to establish new relationships. Recognizing the importance of an educated workforce, Local 860 proudly offers V.O.I.C.E. classes during the off-season to train members on organizing tactics.

Contract enforcement plays a significant role in maintaining as well as building market share. Local 860 files grievances against contractors who engage non-union subcontractors and successfully prosecutes them. Recently, an arbitrator ordered a major contractor to pay thousands of dollars in fringe contributions and working dues for subcontracting work to a non-union contractor. In December 2007, that non-union contractor signed a state-wide agreement with the Laborers. A true success story.

Other contractors simply capitulated and forced subcontractors off projects, paving the way for union subcontractors.

LECET and Marketing

Local 860 participates in the funding of LECET and enthusiastically supports its important role in educating Ohio's Laborers on work zone safety. Through LECET, Local 860 has placed full-page newspaper ads, leased billboard space and produced marketing DVDs. In vivid detail, these DVDs explain to contractors and politicians Local 860's work jurisdiction, the benefits of becoming a union contractor and, of course, Local 860's dedication to work zone safety. In 2007, LECET supported Cleveland State's Transportation Center for Work Zone Safety and Efficiency program enabling it to purchase the DriveSafety DS-600c Research Simulator. By using a high-fidelity simulator that replicates natural driving conditions, researchers are able to collect data that was previously unavailable, such as driver behavior data on near-crashes and other incidents that typically go unreported. As one might expect, Local 860's dedication to safety and its ability to provide safety-conscious laborers are very attractive to contractors, and again, helps to build market share.



Preserving Market Share

Local 860 also works hard to preserve its market share through strong union representation, target funding and membership programs.

Strong Union Representation

Local 860 is very proud of the representation it provides its members. With six union representatives, Local 860 visits contractor sites on a daily basis. Even when representatives are not on location, they are available to answer questions and address concerns at any time. Union stewards trained by Local 860 are also appointed to represent members on location. Local 860 also provides its members with representation at grievance meetings and disciplinary hearings.

Target Funding

With non-union contractors always finding unique ways to violate prevailing wage laws and undercut Local 860's contractors, Local 860 has utilized the Laborers District Council of Ohio's Target Fund to help its contractors win jobs. Without target funding, union contractors at times find it difficult to remain competitive, especially where prevailing wages are not required. This valuable resource not only helps preserve market share for Local 860, but also attracts new contractors.

Membership Programs

As with any organization, Local 860 believes membership satisfaction is integral to the preservation (as well as the expansion) of its market share.

Scholarship Fund — In 1990, Local 860 established the Dominic Olivo/Matthew J. DeLuca Scholarship Fund to benefit children of Local 860 members. On average, Local 860 awards fifty \$860.00 scholarships per year to assist members' children in paying for higher education expenses. Local 860 hosts an annual Reverse Raffle to help fund the scholarships.

Holiday Program — During the 2007 holiday season, Local 860 continued old traditions and began a new one by giving members a \$50.00 Giant Eagle gift certificate. As in the past, it proudly recognized its 25-year members by presenting them with a certificate and a gold watch. Local 860 also offered free legal services and provided blood pressure and cholesterol screenings. The screenings were made possible by the Laborers' Health & Safety Fund.

Legal Plan — Local 860's Legal Plan offers its members a full complement of free legal services, as well as reduced-fee services. At any time, members may contact the plan's attorney to receive counseling, to write letters or draft wills and other documents at absolutely no cost to the member.

Ohio Laborers Fringe Benefit Programs — Local 860 has aligned itself with the Ohio Laborers state-wide fringe programs, allowing it to offer contractors superior benefit packages and training at very competitive rates. This partnership truly paid off in 2007. After the Ohio Laborers' Pension Fund experienced consistent growth, Fund Trustees issued a 13th check.

Summary

The future of the labor movement depends on local labor organizations, like Local 860, to develop strategies to increase market share. Without them, the labor movement is dead. Effective market share strategies must be multi-dimensional with various components. Local 860's market share strategy, comprising of prevailing wage enforcement, political action, legislation development, community activism, effective utilization of support services, traditional organizing and collective bargaining enforcement has served its members well.

Prevailing wage law enforcement has created a level playing field for union contractors and disgorged the profits of greedy, non-union contractors who violated those laws. Political action has helped Local 860 to build significant relationships with worthy politicians and encouraged members to participate in government. Such participation has translated into more jobs for members. Community activism has helped our communities understand Local 860's purpose and the importance of a fair, living wage.

Effective utilization of LECET, International Union and District Council support sources has played an integral role in Local 860's market share strategy. With the help of LECET, Local 860 has educated its members and surrounding communities about the importance of work-zone safety. Local 860's ability to offer contractors a work force which shares in this dedication is a truly recognizable asset as insurance and workers' compensation costs are forever escalating. Local 860's participation in the Ohio Laborers' state-wide programs also enables it to offer contractors competitive fringe benefit packages and valuable training and apprenticeship programs.

Just as important as any other component is the local union's obligation to engage in traditional organizing efforts and enforce its collective bargaining agreements. Local 860 has seen great success in increasing market share by ensuring contractors realize their use of non-union subcontractors will not be overlooked.

Finally, Local 860's membership services, such as its Scholarship Fund, Holiday Program, 25-Year Recognition, family events, Legal Plan and its partnership with the Ohio Laborers' Fringe Benefit Programs are clearly integral to the preservation (and expansion) of Local 860's market share.



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